

AGENCY NAME:

South Carolina Public Employee Benefit Authority

AGENCY CODE:

F500

SECTION:

105



## Fiscal Year 2013-14 Accountability Report

### SUBMISSION FORM

#### AGENCY MISSION

To recommend, offer, and administer competitive programs of retirement and insurance benefits for public employers, employees, and retirees in South Carolina.

Please identify your agency's preferred contacts for this year's accountability report.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	Peggy G. Boykin, CPA	803-734-8117	<a href="mailto:pboykin@peba.sc.gov">pboykin@peba.sc.gov</a>
<b>SECONDARY CONTACT:</b>	Megan B. Lightle	803-737-7484	<a href="mailto:mlightle@peba.sc.gov">mlightle@peba.sc.gov</a>

I have reviewed and approved the enclosed FY 2013-14 Accountability Report, which is complete and accurate to the extent of my knowledge.

**AGENCY DIRECTOR**  
(SIGN/DATE):

A handwritten signature in cursive script, appearing to read "Peggy G. Boykin".

(TYPE/PRINT NAME):

Peggy G. Boykin, CPA

**BOARD/CMSN CHAIR**  
(SIGN/DATE):

A handwritten signature in cursive script, appearing to read "Arthur M. Bjontegard, Jr.".

(TYPE/PRINT NAME):

Arthur M. Bjontegard, Jr.

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## **AGENCY'S DISCUSSION AND ANALYSIS**

In keeping with its mission, the South Carolina Public Employee Benefit Authority Board (PEBA) of Directors, staff, and external consultants worked diligently to recommend a slight premium increase for employers and copayment increases for covered subscribers to help ensure the continued viability, affordability and competitiveness of the state's health insurance program for plan year 2015. As a prospective result of significant legislative reform to the retirement statute in 2012, employer and employee contribution rates to the retirement plans increased as statutorily required to ensure adequate funding of those plans for FY15.

The benefits that PEBA administers have a significant economic impact in all areas of the state. In FY14, PEBA disbursed in excess of \$3.1 billion in retirement-related benefits and in Plan Year 2013, paid more than \$2.15 billion in claims, premiums and expenses for all insurance benefits on behalf of the state's public workforce and their covered family members. About 94 percent of the retirement benefit recipients reside in South Carolina.

PEBA began and ended its second fiscal year as a state agency under the leadership of its Board of Directors and two interim executive directors. Despite the fluctuation in and impermanence of the agency's executive directorship, PEBA's commitment to providing excellent customer service, achieving cost savings and process improvements, and ensuring employee well-being continued.

PEBA's four major program areas are listed in the Program Template along with respective fiscal year expenditures. In FY13, there was no budget for Other Operating in Administration. Also, many people working in Administration were not being paid from that program. For FY14, the budget was realigned to provide Other Operating expenses to be captured in Administration and Personnel records were corrected to show the appropriate salaries being paid from Administration. These changes also resulted in the decreased expenditures in the Employee Insurance Program and Retirement Systems program areas. Next year's report will be similar in that there was not enough Other Operating budget in Administration in FY14, so it was increased in FY15 and the Other Operating budgets for the Employee Insurance Program and Retirement Systems program areas were decreased. Almost all of the increase in the Employee Benefits program area is due to increases in the employer share of health insurance premiums and retirement plan contributions. Filling position vacancies and equity adjustments had a very minor impact on the increase.

In keeping with PEBA's strategic plan for FY14, the organization either accomplished or made significant progress toward meeting all objectives within the plan's four major goals. The agency's strategic planning process was reviewed by the Board and senior leaders during the Board's February retreat. An overview of strategic planning and performance excellence and measurement was provided by nationally renowned Baldrige expert, David McClaskey. PEBA's management team is working closely with the Board to implement an ongoing strategic planning review process that will result in quarterly performance reports to the Board and continual updates to the current plan to reflect closed projects and new initiatives.

The Board and staff's commitment to the pursuit of excellence in all areas was reinforced by the formation and implementation of an Organizational Performance Management program that involves 32 employees (Strategy 1.2, Objectives 1.2.1-1.2.2). The comprehensive investigative process began at the close of FY14 and will continue through at least spring 2015.

In an effort to ensure staffing needs are addressed proactively, agency management developed workforce plans for each major operational function. By strategically assessing future staffing needs in comparison to current staffing, managers are able to develop and implement strategies to address gaps in both staffing levels and skill

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sets. Employee development and succession planning are two key areas on which the agency has focused. PEBA's management will continue to formally evaluate staffing needs and adjust plans accordingly.

Employee satisfaction and engagement is crucial to accomplishing the agency's goals and objectives. For the first time as PEBA, Human Resources surveyed the workforce to assess the climate. Management was pleased to find overall positive results in individual outlook and general job satisfaction. Communication, both from agency leadership and within the various departments, was at the core of several opportunities for improvement. Establishing a culture of collaboration among departments will also be an area the agency will work toward improving in the next year (Performance Measurements 24 and 25).

PEBA's continuing efforts at improving customer response time proved effective in FY14, as evidenced by call center and visitor wait times. The call centers for both Retirement Benefits and Insurance Benefits saw wait times fall well below the targets of one minute and 45 seconds. Additionally, visitor wait times were improved to well below the wait time target of 15 minutes. Cross-training that occurred in both the call center and the visitor intake center greatly improved each unit's ability to reduce wait times by enabling more employees to provide assistance in secondary areas (insurance or retirement) when customer volume experienced peaks (items 26 and 27 in the Performance Measurement Template). PEBA also conducts customer satisfaction surveys as often as daily to ensure that its services are meeting customer needs and are being delivered in a highly professional manner. See items 26-29 in the Performance Measurement Template.

More than 136,000 surveys were distributed either by paper/U.S. mail or electronically to customers to determine satisfaction with the agency's communications efforts. The overall results, which are based on the 13,813 responses received, were very positive (Objective 1.4.3 and Performance Measurements 22 and 23).

PEBA has continued to integrate retirement and insurance information in all of its communications efforts, including retirement information in the insurance newsletters and including insurance and wellness information in the social media and news feed programs. Staff also use various technological means to reach customers (Objectives 1.4.4-1.4.5 and Performance Measurements 12-19). One of PEBA's short- and long-term initiatives is to reach out to organizations affiliated with covered members, such the South Carolina Employees Association and the State Retirees Association of South Carolina, to build stronger, collaborative relationships and to help ensure that information about important benefits and programs is reaching as many members as possible. This initiative would be applied across all applicable lines of business.

The agency continued or initiated multiple measures to continue to ensure employer and member compliance with insurance plan requirements (Performance Measurements 35-39 and Objectives 2.1.1-2.1.5). The PEBA Board's Health Care Policy Committee worked closely with agency staff to focus on improving health outcomes and reducing costs to the insurance plans (Objectives 2.21-2.25). One of the most intensive efforts that is carrying into FY15 and beyond is the establishment of PEBA's Wellness Research Strategy Team (Objective 2.2.1). Most of the team's work has occurred after June 30, 2014, so it is not included in this report.

In its efforts to help improve the overall health of State Health Plan members, the PEBA Board's Health Policy Committee has recommended increased efforts toward implementing a Patient-Centered Medical Home (PCMH) approach to care. This approach facilitates improvement in health outcomes by enabling coordination of care between Primary Care Physicians and other healthcare providers. Physician participation in the SHP's PCMH systems has increased since Calendar Year 2013, as has the number of members treated and managed under PCMH systems (Performance Measurements 47 and 48). PEBA aims to use the PCMH structure to provide an innovative solution to the increasing costs of health care associated with the repeat care and lack of care coordination in the current model.

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The agency's dependent audit program continued into FY14 and is expected to conclude in spring 2015 (Objective 2.1.1 and Performance Measure 38 and 39). The agency increased the number of audits conducted and reduced the health plan's liability by about \$3.5 million by removing ineligible dependents from coverage. Ensuring compliance with plan requirements was enhanced as well through the implementation of automated delinquency letters for employers who are late paying premiums and a claims suspension policy that applies to their covered employees. One of the initiatives for FY15 includes the offering of an online payment portal through which individuals, such as survivor and COBRA subscribers, may make premium payments.

FY14 provided numerous opportunities across the agency for assumption of additional responsibility. One example is the successful assumption of responsibility for the National Medical Support Notice program, which included the development of a database to process and track cases.

One of the most significant and complex issues that affected the agency's operations in FY14 involved the pharmacy benefits management services contract. Prior to the December 31, 2013, expiration of a contract with Express Scripts, PEBA issued a request for proposal to provide pharmacy benefits management services for an initial contract period of January 1, 2014, through December 31, 2015. The bids were received and evaluated, and Catamaran was determined to offer the best value for the State Health Plan and its subscribers. Catamaran's pricing structure allowed the State Health Plan to preserve its prescription drug benefits without substantial increases in copayments. Catamaran was awarded the contract, but it was met with a protest that lasted until March 2014. The protest severely limited the window for implementation, and PEBA staff are still dealing with issues related to the move to a new vendor. Staff from multiple operational areas are in constant contact with Catamaran to resolve these issues and Legal staff is involved on an ad hoc basis as issues are escalated.

In further efforts to contain prescription drug costs, the State Health Plan began offering an employer group waiver plan (EGWP) to subscribers who are eligible for Medicare. This is a Medicare Part D program that complies with regulations set by the Centers for Medicare and Medicaid Services. The State Health Plan has an enhanced benefit in that it covers drugs that are not typically covered by Medicare Part D. Participation in the EGWP program allowed the State Health Plan to maximize federal drug subsidies. Before the EGWP was implemented, the State Health Plan relied upon the federal Retiree Drug Subsidy program to offset prescription drug costs. More funding is coming from the EGWP program, allowing the State Health Plan to preserve its prescription drug benefits for all subscribers.

Additionally, PEBA saw a significant advancement toward its goal of 78 percent utilization by members of generic alternative drugs, with more than a two percent increase in generic utilization (Performance Measurement 44). This can be attributed to PEBA's aggressive communication efforts to educate members on their options and potential savings by using alternative treatments, whenever deemed appropriate by their doctors.

In accordance with the agency's goal to provide for the efficient and cost effective administration of the retirement systems for active and retired member of the systems, the requisite annual financial statements were audited and published, and actuarial valuations were conducted for the five defined benefit retirement plans. Experience studies are also required every five years to set reasonable actuarial assumptions, which can vary over time dependent upon projected member behavior and actual plan experience. PEBA's next experience study is scheduled for 2016.

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The agency also expanded its capability to monitor earnings for service and disability retirement retirees through the development and implementation of an automated data file exchange with the Department of Employment and Workforce (Objective 3.2.1).

While some of the agency's retirement accounting activities were part of the previous normal operating procedures, as a result of the creation of PEBA, all accounting and corresponding disclosures related to the administrative expenses of the pension trust funds became the responsibility of PEBA effective July 1, 2012. These were therefore included in the financial statements of the retirement systems for FY13, which were issued in October 2013 (Objective 3.2.2).

PEBA is not only on target to implement the provisions of the Governmental Financial Standards Board (GASB) statements 67 and 68, but produced additional resources for agency employees, employers, disseminated informational materials to all stakeholders, including legislators, to help ensure that public policy makers are aware of the questions they may get from constituents as a result of covered employers reporting their proportionate share of the pension plan's unfunded liability in their financial statements, and presented information and talked with covered employers as requested (Objective 3.2.3).

In keeping with Objective 3.2.4, PEBA's investment accounting staff is participating in detailed processes to reconcile/test/run parallel with the trust fund custodian, Bank of New York Mellon, in coordination with the South Carolina Retirement System Investment Commission (RSIC) and its external administrator, Confider Financial Services.

In November 2013, the agency discontinued the distribution of printed EFT stubs for benefit payments, which resulted in savings of about \$134,000 for FY14 and anticipated savings of approximately \$166,000 in FY15 (Objective 3.3.1). PEBA also developed and implemented a system through which a unique payment transaction identifying number is used to transmit electronic payments. This system enhancement eliminated Social Security numbers from the data file transmitted electronically, which further improved security and protected personally identifiable information for payment recipients (Objective 3.3.2). The agency is also working with the SCEIS team on the upcoming conversion of the pension trust funds from STARS to SCEIS (Objective 3.3.3). Along with this project, which is scheduled for early 2015, PEBA plans to implement new procedures that will enable us to transfer employer contributions more quickly to interest bearing accounts.

The agency successfully merged the retirement and insurance information technology staff to manage and support all PEBA information technology functions (Objective 3.3.4). System improvements were made as well, such as the integration of reporting functions into the Employer Benefits System and the elimination of the insurance benefits administrator information website on which these functions formerly existed (Objective 3.3.5). PEBA plans to add additional business features to the retirement Member Access and Electronic Employer Services websites (Strategy 3.3).

Part of PEBA's strategic plan for FY14 was to continue to improve coordination and communications with the RSIC, which was accomplished on multiple levels. The agency made progress toward increased coordination and communication with the RSIC through at least five major collaborative projects with more initiatives scheduled for FY15 (Strategy 3.4 and Objectives 3.4.1-3.4.3).

PEBA's Board finalized all committee charters, roles and responsibilities, as well as training and conflict of interested policies, and is reviewing current policies for additional revisions (Strategy 4.1 and Objectives 4.1.1-4.1.3)



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One of the agency's most significant efforts to strengthen PEBA's physical and technology security in FY14 (Strategy 4.2) was to implement recommendations from a comprehensive information technology risk and vulnerability assessment that was conducted during the fiscal year. The agency outfitted its facilities with additional security cameras and a new security and alarm system that included new employee access cards for the various "locked down" areas.

Additional security enhancements included new logon banners for all workstations, increased network access controls, and improved physical security of network switches (Objectives 4.2.1 and 4.2.2). PEBA recognizes that its workforce is vulnerable to attacks through social engineering and other means, so in addition to mandatory annual training on emergency evacuation and other procedures and awareness of the requirement of the Health Insurance Portability and Accountability and Act (HIPAA), employees attend training geared toward making them more aware of the various methods used to secure unauthorized information. Also, PEBA employees are participating in mandatory online cyber-awareness training provided through the state's Division of Information Security (Objective 4.2.3).

The agency also developed and submitted to the Information Management Technology Office a Request for Proposal for services to conduct a comprehensive assessment of the agency's current information technology infrastructure and aging information systems, as well as information technology resources and/or a resultant plan for moving forward with required upgrades and allocation of resources.

Issues such as the information technology assessment point to the importance of ensuring that PEBA's Board of Directors and Executive Director maintain and strengthen ongoing dialogue and relationships with other governmental agencies, such as the RSIC, the Governor's Office and Executive Agencies, and the South Carolina General Assembly. It is critical to that PEBA's operations, which have a more than \$5 billion impact on the state's economy, are accountable and reliable. Through continued dialogue, all stakeholders can be aware of any challenges, risks, or opportunities that need to be addressed in any given budget year (Strategy 4.3).

PEBA's Board of Directors and Executive Director are committed to excellence, accountability, and transparency with respect to all of their responsibilities. As the agency moves forward with a new Executive Director, the Board and management team will launch strategic planning efforts that will ensure the agency's future strategic plans and ensuing accountability reports will be in complete alignment with the new accountability standards.

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Program Template

Program/Title	Purpose	FY 2012-13 Expenditures				FY 2013-14 Expenditures				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I. Administration	To provide administrative services to the Employee Insurance Program and Retirement Systems	\$	519,593		\$ 519,593	\$	1,946,087		\$ 1,946,087	1.1.1 through 1.4.5
II. A. Employee Insurance Program	To provide cost effective insurance benefits to employees and retirees of public sector employers in South Carolina to include health, dental, life, long-term care and flexible spending accounts.	\$	8,132,547		\$ 8,132,547	\$	7,680,837		\$ 7,680,837	2.1.1 through 2.2.5
II. B. Retirement Systems	To administer a comprehensive program of retirement benefits responsive to the needs of public employees and to perform fiduciary duties as stewards of the contributions and distributions of the pension trust funds.	\$	11,862,809		\$ 11,862,809	\$	10,052,028		\$ 10,052,028	3.1.1 through 3.4.3
III. Employee Benefits	To increase the economic security of agency staff, and in doing so, improve worker retention.	\$	4,070,293		\$ 4,070,293	\$	4,125,399		\$ 4,125,399	1.3.1; 1.3.2

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Performance Measurement Template									
Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
1	Call Center Calls - Total	287,142	261,268	N/A	Fiscal Year	CMS	Monthly	Count number of calls	Strategy 1.4
2	Call Center Calls - Answered	91.70%	94.79%	>90%	Fiscal Year	CMS	Monthly	Number of calls/total calls by number of answered calls	Strategy 1.4
3	Call Center Calls - Abandoned	8.30%	5.21%	<10%	Fiscal Year	CMS	Monthly	Number of calls/total calls by number of abandoned calls	Strategy 1.4
4	Call Center Call Wait Times - Insurance	25 seconds	One minute, 26 seconds	Less than one minute and 45 seconds	Fiscal Year	CMS	Monthly	Number of minutes and seconds between the time a call enters the call center queue and the time the call is answered	Strategy 1.4
5	Call Center Call Wait Times - Retirement	One minute, 53 seconds	53 seconds	Less than one minute and 45 seconds	Fiscal Year	CMS	Monthly	Number of minutes and seconds between the time a call enters the call center queue and the time the call is answered	Strategy 1.4
6	Visitors Counseled - Total	19,311	16,785	N/A	Fiscal Year	UNIX	Monthly	Count number of visitors counseled	Strategy 1.4
7	Visitors Counseled - Average per Insurance Employee	611	1,015	N/A	Fiscal Year	UNIX	Monthly	Number of visitors counseled/Number of Insurance Intake employees	Strategy 1.4
8	Visitors Counseled - Average per Retirement Employee	1,534	1,157	N/A	Fiscal Year	UNIX	Monthly	Number of visitors counseled/Number of Retirement Intake employees	Strategy 1.4
9	Visitor Wait Time - Insurance	6 minutes	5 Minutes	<15 Minutes	Fiscal Year	UNIX	Monthly	Number of minutes between the time a visitor signs in at reception and the time the visitor is retrieved by a Retirement counselor	Strategy 1.4
10	Visitor Wait Time - Retirement	11 minutes	6 Minutes	<15 Minutes	Fiscal Year	UNIX	Monthly	Number of minutes between the time a visitor signs in at reception and the time the visitor is retrieved by a Insurance counselor	Strategy 1.4
11	Field Services Training/Seminar Attendance	11,284	12,498	N/A	Fiscal Year	Field Services Statistics	Monthly	Total number of members, employers, and benefits fair attendees who attended events at which PEBA's Retirement Benefits Field Services team presented	Strategy 1.4
12	Average Agency Website Session Time	2 minutes, 15 seconds	1 Minute, 38 seconds	N/A	Fiscal Year	Google Analytics	Daily	Number of minutes and seconds between the time user first accesses agency website and the time user leaves agency website/total number of accesses of agency website	Strategy 1.4
13	Agency Website Bounce Rate	62.85%	65.02%	>50%	Fiscal Year	Google Analytics	Daily	Number of visitors to PEBA's agency website who land on the PEBA home page and then leave instead of viewing other pages within the site/Total number of visitors to PEBA's agency website	Strategy 1.4



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Performance Measurement Template									
Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
14	Insurance Website Bounce Rate	Not Available	32.58%	<50%	Fiscal Year	Google Analytics	Daily	Number of visitors to PEBA's Insurance Benefits website who land on the PEBA Insurance Benefits home page and then leave instead of viewing other pages within the site/Total number of visitors to PEBA's Insurance Benefits website	Strategy 1.4
15	Retirement Website Bounce Rate	36.17%	38.42%	<50%	Fiscal Year	Google Analytics	Daily	Number of visitors to PEBA's Retirement Benefits website who land on the PEBA Retirement Benefits home page and then leave instead of viewing other pages within the site/Total number of visitors to PEBA's Retirement Benefits website	Strategy 1.4
16	General RSS News Feed Subscriptions	5,143	5,913	(+)10%	Fiscal Year	Google Feedburner	Daily	Total number of subscriptions to PEBA's General RSS News Feed	Strategy 1.4
17	Employer RSS News Feed Subscriptions	1,194	1,360	(+)10%	Fiscal Year	Google Feedburner	Daily	Total number of subscriptions to PEBA's Employer RSS News Feed	Strategy 1.4
18	Facebook Likes	751	1,078	10%	Fiscal Year	Facebook	Daily	Total number of likes on PEBA's Facebook page	Strategy 1.4
19	Twitter Followers	278	371	10%	Fiscal Year	Twitter	Daily	Total number of followers for PEBA's Twitter account	Strategy 1.4
20	Communications Survey - Retirement Members (Active and Retiree)	N/A	78.75%	N/A	Fiscal Year	PEBA Communications Survey 2014	Annual	Number of active and retired members responding that it was easy to get necessary information about their retirement benefits via each of the following methods: benefits office, call center, visitor intake, website, Facebook and Twitter, RSS news feeds, and the member handbook/Total number of respondents to each question	Strategy 1.4
21	Communications Survey - Insurance Members (Active and Retiree)	N/A	85.82%	N/A	Fiscal Year	PEBA Communications Survey 2014	Annual	Number of active and retired members responding that it was easy to get necessary information about their insurance benefits via each of the following methods: benefits office, call center, visitor intake, BlueCross BlueShield, website, Facebook and Twitter, Insurance Benefits Guide, and Explanations of Benefits/Total number of respondents to each question	Strategy 1.4

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Performance Measurement Template									
Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
22	Communications Survey - Retirement Participating Employers	N/A	76.64%	N/A	Fiscal Year	PEBA Communications Survey 2014	Annual	Number of employers responding that it was easy to get necessary information about their employees' retirement benefits via each of the following methods: call center, website, Facebook and Twitter, RSS news feeds, employer handbook, and Employer Services representatives/Total number of respondents to each question	Strategy 1.4
23	Communications Survey - Insurance Participating Employers	N/A	94.49%	N/A	Fiscal Year	PEBA Communications Survey 2014	Annual	Number of employers responding that it was easy to get necessary information about their employees' insurance benefits via each of the following methods: call center, website, Facebook and Twitter, PEBA Updates, and Benefits Administrator Manuals/Total number of respondents to each question	Strategies 1.4 and 2.1
24	Percentage of workforce satisfied with the flow of information received from management.	N/A	61.40%	Significant Improvement	Fiscal Year	Employee Survey - May 2014 - Conducted through SurveyMonkey	Bi-annually	Percentage of respondents that answered "Satisfied" or "Very Satisfied" to relevant question.	1.3.2
25	Percentage of workforce satisfied with communication/collaboration among departments.	N/A	50.60%	Significant Improvement	Fiscal Year	Employee Survey - May 2014 - Conducted through SurveyMonkey	Bi-annually	Percentage of respondents that answered "Agree" or "Strongly Agree" to relevant question.	1.3.2
26	Call Center Customer Satisfaction Survey Results - Retirement	98.40%	98.6	>95%	Fiscal Year	Survey Box (Voicemail System)	Monthly	Percentage of respondents to the Retirement Call Center Post-Call Satisfaction Survey who gave a response of "satisfied"	1.4.1
27	Call Center Customer Satisfaction Survey Results - Insurance	98.70%	98.6	>95%	Fiscal Year	Survey Box (Voicemail System)	Monthly	Percentage of respondents to the Insurance Call Center Post-Call Satisfaction Survey who gave a response of "satisfied"	1.4.1
28	Visitor Customer Satisfaction Survey Results - Retirement	99.43%	99.58* (*=combined ret/ins surveys)	>95%	Fiscal Year	ZIP SURVEY	Annual	Percentage of respondents to the Retirement Visitors Center Post-Counseling Satisfaction Survey who gave a response of "satisfied"	1.4.1
29	Visitor Customer Satisfaction Survey Results - Insurance	98.06%	99.58* (*=combined ret/ins surveys)	>95%	Fiscal Year	ZIP SURVEY	Annual	Percentage of respondents to the Insurance Visitors Center Post-Counseling Satisfaction Survey who gave a response of "satisfied"	1.4.1
30	Number of Cross-trained Employees - Call Center	9	9	N/A	Fiscal Year	Internal Training Program & CMS	Annual	Number of employees accepting calls from all three call queues	1.4.2

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Performance Measurement Template									
Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
31	Number of Cross-trained Employees - Visitor Intake	9	9	N/A	Fiscal Year	Internal Training Program & CMS	Annual	Number of employees who have completed cross-training class and can answer basic questions about both retirement and insurance	1.4.2
32	Retirement Benefits Member Access Users	40,757	69,741	N/A	Fiscal Year	ADABAS file or Member Access account holders	As requested	Total number of existing active accounts in the Member Access system	1.4.5
33	IT System Availability - Percent Available	N/A	99.98%	99%	Fiscal Year	Illient	Annual	2340 possible hours available; 4.75 hours recorded downtime; 4.75/2340 = .0020 (rounded); 99.98% system availability	1.4.5
34	Percentage of IT Helpdesk Calls Resolved Within 24-hour Business Cycle	N/A	78.95%	80%	Fiscal Year	Illient	Annual	3063 helpdesk calls; 645 longer than one day to resolution; 645/3063 calls = .21 (rounded); 78.95% of calls close within one business day	1.4.5
35	Insurance eligibility Determined on Retirees, COBRA, and Survivors	N/A	17,904	N/A	Fiscal Year	Workflow Activity Report	Monthly	Number of applications for Retiree, COBRA, or Survivor insurance evaluated for eligibility for coverage	Strategy 2.1
36	Insurance Application Rejections Processed	N/A	5,087	N/A	Fiscal Year	Workflow Activity Report	Monthly	Number coverage applications returned to employers or members due to inconformity with plan requirements (documentation, incorrectly completed applications, etc)	Strategy 2.1
37	Insurance Administrative Reviews Processed	N/A	2,248	N/A	Fiscal Year	Workflow Activity Report	Monthly	Number of requests for administrative review evaluated and approved based upon plan eligibility and enrollment guidelines	Strategy 2.1
38	Number of Dependent Insurance Eligibility Audits Performed	25,589	39,139	N/A	Fiscal Year	PEBA Insurance Audit Department Statistics	Annual	Number of completed audits of eligibility of dependents covered by PEBA health plans	2.1.1
39	Number of Ineligible Dependents Removed from Insurance Coverage by Audit	N/A	1,078	N/A	Fiscal Year	PEBA Insurance Audit Department Statistics	Annual	Number of dependents who were taken off health coverage due to non-response or non-verification of eligibility status	Strategy 2.1
40	Combined Employee and Employer Average Weighted Premiums	\$598.93	\$629.26	Less than regional average	Calendar Year	50 State Survey	Annual	Using SHP, Standard Plan enrollment, calculate rates for the most prevalent plan in each state and compare to the SHP Standard Plan option.	Strategy 2.2
41	Insurance Premiums - Employee/Employer Average - Regional	\$758.18	\$790.68	N/A	Calendar Year	50 State Survey	Annual	Using SHP, Standard Plan enrollment, calculate rates for the most prevalent plan in each state and compare to the SHP Standard Plan option.	Strategy 2.2

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Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
42	Insurance Premiums - Employee Average Weighted	\$159.85	\$159.70	Less than regional average	Calendar Year	50 State Survey	Annual	Using SHP, Standard Plan enrollment, calculate rates for the most prevalent plan in each state and compare to the SHP Standard Plan option.	Strategy 2.2
43	Insurance Premiums - Employee Average Weighted - Regional	\$166.56	\$170.33	N/A	Calendar Year	50 State Survey	Annual	Using SHP, Standard Plan enrollment, calculate rates for the most prevalent plan in each state and compare to the SHP Standard Plan option.	Strategy 2.2
44	Generic Prescription Drug Utilization as a Percentage of all Prescriptions	74.90%	77.00%	78.00%	Calendar Year	Claims Data/Bi-Weekly	Monthly	Number of generic prescriptions filled as a percentage of total prescriptions filled.	Strategy 2.2
45	Eligible State Health Plan Members Participating in Workplace Screening	24,217	21,200	30,000	Fiscal Year	Claims Data/Monthly	Annual	Number of Eligible Subscribers and Spouses where the SHP is the primary payer who participated in the Workplace Screening	2.2.2
46	Attendees at Disease Management Workshops	3,708	3,207	3,500	Fiscal Year	Prevention Partners Database	Annual	Number of health plan participants who attended a Prevention Partners workshop	2.2.2
47	Members treated under SHP Patient-Centered Medical Home (PCMH) systems	N/A	57,295	97,039	Calendar Year	BlueCross BlueShield	Annual	Total number of members who were treated and whose health care was managed under one of the SHP's PCMH systems	2.2.3
48	State Health Plan PCMH Providers	414	419	650	Calendar Year	BlueCross BlueShield	Annual	Number of SHP network physicians providing care under a PCMH structure	2.2.3
49	Retirement Annuity Claims Processed - Total	10,965	7,673	N/A	Fiscal Year	In-house batch report RCL960PM	Monthly	Count number of Annuity Claims Processed	Strategy 3.1 and 3.2
50	Retirement Service Purchase Invoices - Total	10,770	3,939	N/A	Fiscal Year	UNIX REPORT/GENERATED AS NEEDED - WEEKLY/MONTHLY/ANNUAL	Annual	Count number Service Purchase Invoices Processed	Strategy 3.1 and 3.2
51	Retirement Average Final Compensation Calculated - Total	16,098	15,779	N/A	Fiscal Year	AFC weekly Stats Spreadsheet of transactions processed	weekly	Count number of AFCs calculated	Strategy 3.1 and 3.2
52	Number of Retirement Installment Service Purchases Processed	N/A	396	N/A	Fiscal Year	In-house report RER609PO	Monthly	Report gives count of transactions from Retirement subledger	Strategy 3.1 and 3.2
53	Number of Retirement Lump Sum Service Purchases Processed	N/A	906	N/A	Fiscal Year	In-house report RER609PO	Monthly	report gives count of transactions from Retirement subledger	Strategy 3.1 and 3.2
54	Average Cycle Time for Retirement Refunds Processed (Received At Least 30 Days Prior to Eligibility)	N/A	73 days	Release refund claims to Payroll within 30 days of receipt of the application, but no sooner than 90 days from the date the member terminates all covered employment.	Fiscal Year	In-house batch report	Monthly	Number of days from the time the refund application is received until it is released to Payroll	Strategy 3.1 and 3.2

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**Fiscal Year 2013-14  
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Performance Measurement Template									
Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Associated Objective(s)
55	Retirement Annuity Claims Processed - Average per Employee	731	480	N/A	Fiscal Year	In-house batch report RCL960PM	Monthly	Number of Annuity Claims Processed/Number of Annuity Claims employees	Strategy 3.1, 3.2, and 3.3
56	Retirement Service Purchase Invoices - Average per Employee	1,795	985	N/A	Fiscal Year	UNIX REPORT/GENERATED AS NEEDED- WEEKLY/MONTHLY/ANNUAL	Annual	Number of Service Purchase Invoices Processed/Number of Service Purchase employees	Strategy 3.1, 3.2, and 3.3
57	Retirement Average Final Compensation Calculated - Average per Employee	2,683	2,630	goal of 60 per week	Fiscal Year	AFC weekly Stats Spreadsheet of transactions processed	weekly	Number of AFCs calculated/Number of AFC employees	Strategy 3.1, 3.2, and 3.3

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Description
G	1			Create an organization driven by the pursuit of excellence in all areas
S		1.1		Establish and maintain an ongoing strategic planning process.
O		1.1.1		Develop strategic issues, goals, and strategies
O		1.1.2		Deploy the strategic plan through detailed action plans for key areas
S		1.2		Implement PEBA's Organizational Performance Management program
O		1.2.1		Assign and train a member of PEBA staff to develop and implement the OPM
O		1.2.2		Choose and assign key PEBA staff to investigative teams directed in six key areas: Leadership, Planning, Customers,
S		1.3		Implement a workforce planning process to ensure a stable, sufficient, and proficient workforce
O		1.3.1		Develop a Workforce Plan to assess future staffing needs, facilitate succession planning, and employee development
O		1.3.2		Conduct an employee satisfaction and engagement survey and facilitate follow-up action planning
O		1.3.3		Consolidate physical work locations
S		1.4		Enhance communication and service efforts to better meet the needs of PEBA stakeholders
O		1.4.1		Conduct a customer service survey and analysis to evaluate the needs and expectations of customers
O		1.4.2		Cross-train customer service employees to provide services through a one-stop-shop culture of service
O		1.4.3		Conduct a survey of PEBA customers to determine satisfaction with communications efforts
O		1.4.4		Integrate retirement and insurance information in communications efforts
O		1.4.5		Use the latest technological tools to provide automated access to service
G	2			Design and implement a financially sustainable health program that assists participating employers in maintaining a
S		2.1		Implement measures to ensure employer and member compliance with plan requirements
O		2.1.1		Increase the number of dependent audits performed
O		2.1.2		Consolidate employer reporting
O		2.1.3		Develop improved procedures for employer delinquencies including automated delinquency notices and a claim
O		2.1.4		Offer and encourage use of EFT for employer payments
O		2.1.5		Accommodate new ACA eligibility requirements
S		2.2		Focus on improving health outcomes and reducing costs
O		2.2.1		Create the Wellness Research Strategy Team charged with establishing at least one pilot project for Plan Year 2015 that
O		2.2.2		Provide prevention initiatives to include disease management workshops and wellness screenings
O		2.2.3		Pilot patient-centered medical homes through partnership with MUSC
O		2.2.4		Transition to and implement a new Pharmacy Benefit Manager for the State Health Plan and MUSC Health Plans
O		2.2.5		Implement a new EGWP Medicare Part D plan for Medicare primary members



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Strategic Planning Template

Type		Item #	Description
Goal	Strat	Object	
G	3		Provide for the efficient and cost effective administration of the retirement systems for active and retired members of the
S	3.1		Perform evaluations to ensure standards are met
O		3.1.1	Conduct experience study every five years to set reasonable assumptions
O		3.1.2	Conduct and accept annual valuations
O		3.1.3	Obtain audited financial statements
S	3.2		Implement and maintain quality and compliance measures
O		3.2.1	Develop and implement an automated data exchange with the Department of Employment and Workforce to monitor
O		3.2.2	Assume all accounting and disclosure responsibilities for the pension trust funds and incorporate them into Retirement
O		3.2.3	Implement requirements of GASB 67 and 68
O		3.2.4	Ensure consistency between investment managers' financial statements and PEBA reporting
S	3.3		Improve Systems integrity through efficiency and service
O		3.3.1	Discontinue the distribution of printed EFT stubs
O		3.3.2	Increase security of personal data by eliminating SSNs from file transmissions
O		3.3.3	Streamline processes between SCEIS and internal systems
O		3.3.4	Merge retirement and insurance IT staff to better manage and support all IT functions
O		3.3.5	Integrate employer billing and reporting into Employer Benefit Services (EBS) to eliminate BA Info website
S	3.4		Coordinate and communicate with the Retirement System Investment Commission
O		3.4.1	Participate in the RSIC Fiduciary Audit
O		3.4.2	Participate in developing processes to reconcile/test/run parallel with the RSIC's external administrator and custodian
O		3.4.3	Coordinate with the RSIC Reporting Team in the documentation/verification of quarterly fee information
G	4		Ensure the highest fiduciary, legal, and ethical standards are known and applied across the organization
S	4.1		The PEBA Board will be provided with education regarding its role as a Board of Trustees and focus on policy-level
O		4.1.1	Develop committee charters to define roles and responsibilities
O		4.1.2	Develop a policy to establish training requirements-frequency and content-to ensure preparedness for meeting Board
O		4.1.3	Develop a conflict of interest policy applicable to Board members and staff
S	4.2		Strengthen PEBA's physical and technological security
O		4.2.1	Conduct IT Risk and Vulnerability Assessment and implement security enhancements
O		4.2.2	Implement new physical security for office complex to include cameras, access cards, and alarm system
O		4.2.3	Conduct multi-phase cyber security training for PEBA employees and provide industry standard security training for five
O		4.2.4	Initiate Request for Proposal for a comprehensive assessment and upgrade of PEBA IT systems and resources

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Description
S	4.3			Strengthen PEBA's governmental relations functions
O		4.3.1		Enhance relationships between PEBA and other entities - RSIC, B&CB, etc.
O		4.3.2		Staff/Executive Director will provide regular legislative updates to the Board